

BOARD OF SUPERVISORS

Brown County



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LAND CONSERVATION SUBCOMMITTEE

Norb Dantine, Chair
Dave Kaster, Vice Chair
Bernie Erickson, Mike Fleck, Dan Haefs, Norbert Vande Hei

LAND CONSERVATION SUBCOMMITTEE

**Monday, May 23, 2011
6:00 p.m. (PD&T to Follow)
Room 161, UW-Extension
1150 Bellevue Street**

- I. Call Meeting to Order.
 - II. Approve/Modify Agenda.
 - III. Approve/Modify Minutes of Land Conservation Subcommittee of April 25, 2011.
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1. Land and Water Conservation Department Budget Update, April 2011 (will be provided at meeting if financials available).
 2. Working Lands Initiative Program information - attached letter from DATCP Keith Foye.
 3. Letter from DATCP regarding Conservation Reserve Enhancement Program – attached DATCP CREP Letter; Email correspondence with DATCP.
 4. Such other matters as authorized by law.
 5. Adjourn.

Norb Dantine, Chair

Notice is hereby given that action by the Committee may be taken on any of the items which are described or listed in this agenda. Please take notice that it is possible additional members of the Board of Supervisors may attend this meeting, resulting in a majority or quorum of the Board of Supervisors. This may constitute a meeting of the Board of Supervisors for purposes of discussion and information gathering relative to this agenda.

PROCEEDINGS OF THE BROWN COUNTY
LAND CONSERVATION SUBCOMMITTEE

Pursuant to Section 18.94 Wis. Stats., a regular meeting of the **Brown County Land Conservation Subcommittee** was held on Monday, April 25, 2011 in Room 161, UW-Extension – 115 Bellevue Street, Green Bay, WI

Present: Norb Dantine, Bernie Erickson, Mike Fleck, Dan Haefs, Dave Kaster,
Norb VandeHei

Excused:

Also Present: Executive Streckenbach, Bill Hafs, Jim Jolly, Jon Bechle, Brad Holtz,
Bill Bosacki

I. **Call Meeting to Order:**

The meeting was called to order by Chair Dantine at 6:00 p.m.

II. **Approve/Modify Agenda:**

Motion made by Supervisor Erickson and seconded by Fleck to approve. MOTION APPROVED UNANIMOUSLY

III. **Approve/Modify Minutes of Land Conservation Subcommittee of January 24, 2011:**

Motion made by Fleck and seconded by Kaster to approve. MOTION APPROVED UNANIMOUSLY

1. **Land and Water Conservation Department Budget Update: December 2010, February 2011, February 2011 LWCD Grants.**

County Conservationist Bill Hafs provided a handout (attached) re: Land Conservation Budget Status Report – December 31, 2010 and informed this was the (unaudited) end of the year information. He pointed out that they ended up \$34,859 ahead in revenue above expenditures. Since the agenda was handed out the March financials had become available as well (attached). Hafs stated this year they will provide on one side their operating budget and on the backside they are tracking separately from the rest of the department budget, two grants, the West Short and Baird Creek, which they are reporting to the United States Environmental Protection Agency (EPA). Both grants are completely funded by the EPA. He stated his department was doing fine.

Dantine thanked Hafs for the information provided and questioned why at budget time they can't receive the end of the year information such as the December handout from every department. He would like to see the year to date transactions for the previous years and total savings. Erickson agreed, he informed that he had brought this up on the County Board floor requesting to see the percentages of total expenses and grand total revenue reports quarterly from every department. If the Board noticed that a department's percentages were way off they could act on it. He felt they never see anything until it's too late. Erickson informed that he will bring this up at the next Executive Committee meeting.

Haefs stated that in 1992, for about eight years, the county would budget huge sums of

money and at the end of the year they would return millions to the general fund. Everyone at that time thought it was wonderful. The difference today is there simply is not enough money and budgeting is a lot tighter. When department heads come in with a mere \$34,000 Haefs considered that a success. He stated he was very pleased and their department was doing a decent job.

Motion made by Supervisor Haefs and seconded by Supervisor Erickson to receive and place on file. MOTION APPROVED UNANIMOUSLY

2. **Review of Working Lands Initiative Program information - Jim Jolly.**

Jolly provided handouts re: Proposed Brown County Working Lands Initiative map (as of October 12, 2010) (attached) and informed that last year he had promised to come back in April to relay where they were at with the working land initiative. He noted a lot of things had happened with regard to the farmland preservation transition to the working land initiative. Referring to the map, in the past all the green areas were areas that were zoned exclusive agriculture. Now that the working lands initiative is here, the townships got together and asked their land owners who wanted to be in the programs and who wanted out. The areas in green are the areas that are currently scheduled to be zoned exclusive agriculture. About 109,000 acres in the Brown County are eligible to receive income tax credits through this program. The green areas are where the focus of work would be.

Referring to the 2010 Program Participation spreadsheet (attached) it showed what the participation levels and rates were for the 2010 income tax year. There are 643 landowners participating in the County, 87,152 acres were enrolled in the program. 109,758 acres eligible, approximately 80% of those acres are enrolled right now. The tax relief from those 87,152 acres that came back to landowners in the County was \$653,641 in 2010. That is direct income tax credits to those people. The average income tax credit per acre is \$7.50 an acre. Comparing the 2010 tax credit vs. 2008, in 2008 there were 645 people that took the program, 10,000 acres were enrolled, and the average tax credit was only \$3.46 an acre. The average tax credit coming back to landowners in 2010 had over doubled with this new working land initiative.

The reason the map is so sparse now is because of a conversion fee. The State's budget states that if a landowner developed land in the next 10 years, it will cost \$600 an acre to get that land changed from exclusive ag to a different use. If Gov. Scott Walker's budget goes through, he planned to eliminate the farmland conversion fee. This would drastically change the map and there would be a lot more green area. It will put them at a completely difference situation. If there are no penalties people are going to want to participate to get the \$7.50 per acre. This will shoot acreage up significantly as to what the planning department had to monitor.

Referring to the Department of Agriculture, Trade and Consumer Protection Model Form (Farmland Preservations Program (FPP) Farm Inspection) handout (attached) it states "Farm inspections are required ever four years to determine if the soil and water conservation standards for the Farmland Preservation Program (FPP) are being followed. Jolly informed that schedules of compliance will need to be completed if farmers are out of compliance. That would mean that staff would have to be on every single farm that participated every

four years, hitting 25% a year. If staff can't justify that they had been on the farm and had done everything listed on the inspection form, those farms become ineligible to receive the income tax credits. Jolly felt it was a lot of pressure on their department. He explained that they do not have staff right now to do this extra workload. The Land and Water Conservation Department wanted to know what the committee thought they should do. Jolly informed that this committee at some point in this budget season would have to make a decision on how they are to complete the work. If it's not completed \$600,000+ a year will go back to the State. This is additional work above and beyond what their department already handles.

Hafs informed that this program used to have a full time person which was funded by the Department of Agriculture but the money was pulled four or five years ago and the County stopped doing the work. They analyzed everything they need, this could be a minimum of one staff person or it could be more than that. What the State is asking for is more extensive than before. A bigger workload.

Jolly explained that one option would be, there are 87,000 acres enrolled and landowners are receiving over double the tax credits they received in the past, the County could charge \$1 an acre for every landowner that participated. This would supply enough money to employ one person to do the work which is mandated. Another option, Jolly understood that no one liked the \$.50 breaker fee, but it would spread over a lot more acres and get the same amount of money. The same people that get charged the \$.50 breaker fee also have to meet the inspection standards.

Hafs explained that there had been years where property owners were getting money from the State by self certification programs; the State is now rationing that if you are going to get these big credits the State is going to make sure they aren't paying twice. For years the Farmland Preservation Program did not have provisions like these and they were giving money out year after year without the compliance requirements. Hafs believed that the previous Ag Secretary put a task force together to look at this and they felt the weakness of the program was that no one was checking to make sure what they were giving the money for was a good buy. The Town's Association was a big part of this negotiation, it impacted town zoning.

Norb Vande Hei felt \$1 was a lot but if that's what it is going to take and noted that they will be getting more than in the past.

Supervisor Haefs stated that this was a good thing and wouldn't have a problem with a fee of some sort. He would like it communicated to the State that for every tax credit of \$7.50 per acre, \$1 should go to local governments to fund staff. Hafs responded that he did communicate that but the State want to leave it up to the counties because some counties are able to fund on a levy, others will fund on fees.

Jolly furthered that there is a lot of paperwork, all field season April to December staff will be out on the farms. 20,000 acres for one person to inspect. Haefs would like an assessment of what is needed, staff time, etc. It wouldn't be right to charge \$1 an acre and then either make or lose money. Going into budget time they will have to come up with a way to pay for this position, they would not levy it.

Jolly informed that land owners have to follow the same rules even if they are not in the program. Hafs added that if you are over 1,000 animal units you have to do all of this anyway, why not participate in the tax credit program.

Questions arose with regards to being a permitted farmer through the DNR, Hafs explained they have to meet the requirements to maintain their permit. Kaster questioned why the DNR is not completing the inspections; Hafs explained that their department was doing it for the DNR right now.

Vande Hei felt that they will have a lot of problems telling land owners that they have to have buffer strips in every waterway. Jolly agreed, it may be an issue.

Streckenbach questioned the purpose of eliminating the conversion fee and felt they had to look at why the conversion was being pulled. The conversion fee was revenue for the State. Jolly explained that for every acre that had been rezoned from exclusive ag to a different use, \$600 would be collected by the town, they would send to Madison and the Dept of Ag would use that money to purchase development rights along areas that were prime ag land but was prone to development.

Erickson informed that a bunch of overhead photos were taken of the County and felt that the photos should help with future inspections/field work.

Motion made by Supervisor Erickson and seconded by Supervisor Haefs to receive and place on file. MOTION APPROVED UNANIMOUSLY

3. **Review and approval of Targeted Resource Management (TRM) Grant Application to State of Wisconsin for 2012 budget year – Jon Bechle, Brad Holtz.**

A handout had been provided and attached with regards to the Large Scale Targeted Resource Management Grant Program.

Motion made by Supervisor Haefs and seconded by Supervisor Erickson to approve. MOTION APPROVED UNANIMOUSLY

4. **Such Other Matters as Authorized by Law:**
5. **Adjourn:**

Motion by Erickson, seconded by Supervisor Vande Hei to adjourn at 6:52 p.m. MOTION APPROVED UNANIMOUSLY

Respectfully submitted,

Alicia A. Loehlein
Recording Secretary



State of Wisconsin
Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection
Ben Brancel, Secretary

May 2, 2011

Norbert Dantine Jr., Chair
Brown Co. Land Conservation Committee
5250 Finger Road
Green Bay, WI 54311

Dear Mr. Dantine:

This letter is in response to the phone call from staff of the Brown County Land and Water Conservation Department requesting clarification of the responsibilities for Brown County for administering the farmland preservation program.

Brown County is required, under s. 91.10(1), Stats., to adopt a farmland preservation plan. The certification of the current Brown County Farmland Preservation plan expires on December 31, 2011.

The statute also requires that the county Land Conservation Committee monitor landowner compliance with the land and water conservation standards in s. 91.80, Stats., for landowners claiming a farmland preservation tax credit (see subchapter V, chapter 91, Stats.). The statutes require that the county monitor compliance at least once every four years. If the county finds that the landowner is not in compliance, the county shall issue a notice of noncompliance to the landowner and to the Wisconsin Department of Revenue. If the landowner gets back into compliance, the county shall withdraw the notice of noncompliance and notify the landowner and the Department of Revenue of the withdrawal.

Brown County has historically had a substantial involvement in the farmland preservation program. Brown County is in the top ten counties related to participants. For tax year 2009, the last year we have information available, there were over 640 participants in the tax credit program receiving over \$450,000 in tax credits associated with over 100,000 acres of farmland. This is before the new \$7.50 per acre per year tax credit began in tax year 2010 (paid this year in 2011).

Please let me know if you have any further questions related to the farmland preservation program.

Sincerely,

Keith Foye, Chief
Land Management Section
(608) 224-4603

cc: William Hafs, County Conservationist, Brown County Land and Water Conservation Department
Jim Jolly, Program Manager, Brown County Land and Water Conservation Department

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State of Wisconsin
Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection
Ben Brancel, Secretary

April 21, 2011

Tom Hinz – Brown County Executive
305 East Walnut Street
P.O. Box 23600
Green Bay, WI 54305-3600

Dear Mr. Hinz:

RE: Conservation Reserve Enhancement Program – Contract Continuation

The Conservation Reserve Enhancement Program (CREP) State-County contract with Brown County has expired. This letter is a request for written confirmation from the County in regard to the continuation of CREP in your county. Below is the history of the situation, a list of the consequences of discontinuing CREP, and a summary of what is needed to proceed on this matter.

Recently the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) was contacted by offices of the State and National USDA – Farm Service Agency (FSA) to discuss eligible CREP locations in Wisconsin mapped out in the Federal-State CREP agreement. In 2008, DATCP mailed a CREP contract amendment to Brown County with a request for approval and return of the contract amendment signed by an authorized county official. The contract amendment extended the existing State-County CREP contract to January 31, 2013. DATCP did not receive a signed contract amendment from your county, but did receive unofficial correspondence from the County Land and Water Conservation Department indicating that the county did not intend to continue participation in CREP. While the State-County CREP contract has expired, your county remains designated for CREP eligibility in our Federal-State CREP agreement with FSA. At this point DATCP must either reestablish the State-County CREP contact with your County or work with FSA to permanently remove your County from CREP eligibility on the Federal-State CREP agreement.

The county should be aware of the consequences of discontinuing participation in CREP. First, landowners in your county will no longer have the option to participate in CREP. On average landowners enrolled in CREP receive a minimum total combined payment of \$2000 per acre over the agreement timeframe for installing buffers along waterways on agricultural lands. Second, the current State CREP allocation of \$600,000 for Brown County will be reallocated to those counties continuing participation in CREP. Third, the County will continue to be legally required to continue with the provisions of the CREP 15 year contracts currently established in the county. There are 64 active CREP 15 year agreements in Brown County. Fourth, FSA will require that the Federal-State CREP agreement be officially revised to remove your county as an eligible CREP area. This would permanently remove Brown County and its landowners from future participation in the

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program. Lastly, in the future the Department may make funding decisions based on participation in core Department programs, such as CREP.

Brown County is an essential partner in the implementation of CREP in your county. The Department would like to have the County continue participation in the program, however, to do so a written request from you will be needed. The Department would then work with you to establish a new State-County contract which would allow landowners to again be eligible to participate in CREP. If the county does choose to discontinue participation in CREP, we would also request that this be in the form of an official written correspondence from you. This confirmation will be the Departments signal to move forward with removing Brown County from the Federal-State CREP agreement.

Thanks for your participation in the Conservation Reserve Enhancement Program. If you have any questions or would like to set up a meeting to discuss this matter further please do not hesitate to call me or Brian Loeffelholz at 608-224-4632.



Ben Brancel
Secretary

Cc:

Guy Zima – County Board Chair
Brown County Board of Supervisors
1121 12th Ave
Green Bay, WI 54304

Norbert Dantine, Jr. – Chair
Brown County Land Conservation SubCommittee
5250 Finger Road
Green Bay, WI 54311

Bill Hafs - County Conservationist
Land and Water Conservation Department
Ag & Extension Service Center
1150 Bellevue St
Green Bay, WI 54302

To: Richard M 'Castelnuovo, - DATCP, Richard.Castelnuovo@Wisconsin.gov
Mon 5/9/2011 11:28 AM

Richard,

Could you send me a copy of the new Conservation Reserve Enhancement Program (CREP) contract for review?

I was surprised that DATCP would send a copy of the attached letter to the Brown County Executive, County Board Chairman, and Land Conservation Committee Chairman without any prior phone conversation on this matter. The letter implies that CREP is a major initiative possibility in Brown County.

I contacted Brown County Farm Services Office and asked if there had been inquiries by farmers for participation in CREP and the answer was none.

The letter from DATCP secretary suggests that future funding decisions for our staffing from DATCP may be based on core Department programs, such as CREP.

Please forward this information regarding farmer interest in CREP to those in DATCP making staffing funding allocation decisions.

I would encourage DATCP to also consider the following facts when making staffing decisions for Brown County:

- Brown County has the highest percentage of cropland in a county with a state required 590 nutrient management plan (over 115,000 acres) administered by Brown County Land and Water Conservation Department.
- Brown County has the highest number of CAFO's of any county in the state (18) and has another 12 farms that are over 500 animal units. Adequate cropland in some places in Brown County where there are high densities of cattle is not available. This raises sustainability issues and CREP will probably not be an option for landowners in areas where density of livestock has caused cropland rentals to reach \$200 per acre.
- Brown County has the highest percentage of animal units per acre of cropland of any county in Wisconsin.

Brown County wishes to remain a good partner with State and Federal agencies and their programs to the benefit of Brown County landowners.

With current budgets however we must prioritize and focus our staffing on state mandated programs that our farmers utilize the most such as nutrient management planning and implementation and NR 151 requirements.

CREP is not state mandated.

Regards,

Bill Hafs

Brown County

Land and Water Conservation Department

1150 Bellevue Street

Green Bay, Wisconsin 54302

920-391-4633

hafs_bc@co.brown.wi.us

